

State Program Standing Committee
February 19, 2015
Location: Comfort Inn and Suites, Berlin, VT

Meeting commenced at 9:40 a.m.

Members Present: Emily Anderson, Max Barrows, Linda Berger, Julie Cunningham, Bethany Drum, Joe Greenwald, Nicole LeBlanc, Edwin Place, Theresa Wood, Susan Yuan, Anne Bakeman

Members Absent: Greg Mairs, Kyle Moriarty, Barbara Prine, Connie Woodbury

Guests and DDS Staff: Rich Atkinson, Nancy Breiden, Rachael Colby, Cathy Hull, Karen Schwartz, Marlys Waller, June Bascom, Camille George, Jennifer Gibb, Kathy Brown, Dave Yacavone, Mark Utter

The agenda and minutes of the January meeting were reviewed by members. Bethany Drum motioned to approve January 2015 SPSC minutes, Emily Anderson seconded the motion. January minutes were approved by all members.

I. SFY 15 Budget Adjustment Act and SFY 16 Proposed Budget

SFY 15 Proposed Budget Adjustment: Camille George debriefed the members on the proposed reduction to family managed respite. This is being proposed as a one-time reduction, recognizing that the funds will be needed in the future. Other proposals include a reduction in funding for people identified while in Corrections as having a serious functional impairment (SFI). These funds are no longer needed as people have either transitioned to independent living or have transferred on to other programs to meet their needs. An increase is proposed to implement the increased wages for independent direct support workers that were included in the collective bargaining agreement. The (hourly rate as of July 1, 2014 increased to \$10.80 and the daily respite rate is \$150.00. Adjustments for the collective bargaining agreement are shown in both the SFY 15 Proposed Budget Adjustment and the SFY 16 Proposed Budget). There was a general state minimum wage increase statewide.

SFY 16 Proposed Budget: The proposed budget item of greatest interest to the SPSC is a proposed reduction of approximately (rounded up) \$2 million dollars for Developmental Disabilities Services caseload funding. Camille explained the budget development process that happens each year where each state agency and each department is asked to complete a budget exercise with specific directions. Departments then submit their proposals to the Agency in which they are housed (in the case of DAIL, this is the Agency of Human Services), where changes can be made. Then, the AHS sends its proposals to the Agency of Administration where further changes may be made. There is often some back and forth and various adjustments

throughout this process before the Governor then presents the proposed budget to the Legislature in January. From there, the budget is reviewed by the Legislature, there is testimony from various stakeholders about the proposals and further changes may be made by the Legislature before it is passed at the end of the legislative session. The budget passed by the Legislature is then sent to the Governor for signature. With regards to the proposed reduction to the DS caseload, Camille informed committee members that currently there is an underutilization in funding that could potentially cover, or at least reduce the need, for a rescission. The budget will be monitored and managed throughout the year. Committee members commented that it is unprecedented that DS caseload is being underutilized and urged close monitoring and discussion with providers. Also included in the SFY 16 proposed budget is a 2.5% increase to Medicaid rates in order to offset the cost shifting that currently occurs to private insurance. There is also another proposed reduction in funding for people with SFI for the same reasons as proposed in the SFY 15 Budget Adjustment. Finally, there are some transfers of funding within AHS that are budget neutral, such as the transfer of funds for Integrated Family Services (IFS).

II. Presentation on DS Services by DS Providers

Kathy Brown (NCSS), Dave Yacavone (Sterling Area Associates) and Julie Cunningham (Families First) presented about DS services from the perspective of providers.

DS Directors meet once a month to collaborate on a variety of matters and share knowledge and resources. They are a passionate group who are dedicated to quality services in Vermont. The values pertaining to the support of people with developmental disabilities are an embedded force in their advocacy. (See handout from Julie – DS by the Numbers).

They are proud of the DS System of Care in Vermont, largely serviced in family settings, and built on the premise of individual choice and direction. High School transition is a critical time for many people with developmental disabilities and the system provides comprehensive supports. Developmental Services are progressive and promote specialized services. They are committed to building and fostering communication teams, picture boards, video and sensory boards, supporting deaf clients and cultural competency trainings, and learning for living. These initiatives were born out of the flexibility in programming. DS Providers expressed concerns about the current efforts to “streamline services” and the loss of flexibility. They have concerns about rumors to “unbundle” waiver rates and find it ironic when the health care industry is moving more in that direction. There are grave concerns that DS is headed back to a “fee for service” system, which would not be good for the people served, it would increase administrative rates, and result in less flexibility and creativity.

Dave Yacavone shared some observations. Historically, he received feedback from parents who didn't want Brandon Training School to close. Today, in his role at Sterling Area Services, he now sees the desire for people to belong and to be nurtured and contribute. It is a remarkable

support network of those in the community to help others. He also sees frustration: uncertainty comes when providers cannot pay a livable wage to employees dedicated to providing the needed services to people with developmental disabilities. DS Providers struggled to maintain working relationships for individuals. He is concerned about the 2 million reduction preventing quality services. He is proud to be a part of a wonderful system and network of providers.

Challenges: The DS Directors expressed concern about the misperception that community-based services are too expensive. The average cost of waiver services has been maintained at a level rate for a number of years. Marlys Waller offered that the costs have decreased overtime and they are less than they were in 1993 when adjusted for inflation. Initially the transition from Brandon Training School was much higher, but evened out over 5 years.

As much as DS Directors are proud, challenges still remain in paying staff a livable wage. They would like to recruit people into the profession with the promise of a livable wage and continued professional development. Over the years, in order to reduce costs, there has been a movement to use “contract services” or “wrap services” where support workers are not the employees of providers. This creates barriers around healthcare benefits, consistent customer service and professional development. Providing quality becomes concerning when they are continually asked to do more with less.

DS directors look for natural supports, but feel more gets taken away at equity. It is becoming more difficult to find Medicaid providers who are qualified to work with the DS population. There is a concern about the system moving away from “bundled rates” and going back to a “fee for service” model. They expressed concern that after the auditor’s report there may be a loss in flexibility for providers to meet the needs of individuals. Camille notes that at this time there are no changes to the State System of Care Plan being proposed, yet the Division is obligated to follow up on the recommendations by the State Auditor; and there are discussions around how to provide services, their limitations, and communication around how the money is reallocated. The Division wants to preserve flexibility, but at the same time, there is a need to ensure accountability and monitor the services and the outcomes.

A member asked if agencies are accounting for internal adjustments. Is it a problem of mistrust? It was emphasized that this is not a matter for mistrust, but that the role of the State Auditor is to look at the bottom line and ensure there is equity, that funds are used for their intended purpose and that there is accountability in funding.

III. ABLE Act (Deputy Commissioner of DAIL Stuart Schurr joined by phone)

Achieving a Better Life Experience Act (ABLE)

Federal legislation passed in 2014 gives individuals with disabilities the opportunity to set up savings accounts that are tax deferred, to use on a wide variety of expenses. A number of handouts about the ABLE Act were sent out to the SPSC in advance of the meeting.

The ABLE Act will allow more individuals choice and control over spending on qualified disability expenses, while protecting eligibility for Medicaid, Supplemental Security Income (SSI) and other important federal benefits for people with disabilities. There are significant tax benefits. The Act applies to a broad population of people with disabilities. Family members or people themselves can contribute to their ABLE account.

Account funds can be used for a variety of purposes, such as education, housing and transportation. DAIL has reached out to the Tax Department and the Department of Vermont Health Access (DVHA) to examine the potential to establish ABLE accounts in Vermont. Once the program is established, the State would have a role to carry out plans of coordinating, distribution and allocations of the funds. Vermont legislature will need to vote on how the state will carry out the details. The individual is considered the participant. It's not a stand-alone account, but a fund.

Nicole LeBlanc shared that Sarah Wolfe, an advocate from Pennsylvania, has been pushing for this account. This will create good work incentives and help people pay for independent living expenses.

There are a number of steps that need to happen before ABLE accounts can be established in Vermont. For starters, legislation would need to be introduced and passed to allow for them. Karen Schwartz from the DD Council stated a proposal may be added to the economic spending bill (economic development committee). It allows people to set up an account that is accessible to everyone, not just those families that are affluent. Vermont and other states are working to draft and adopt legislation and then regulations will need to be written. Right now, thoughts are to model the legislation and fund set up after the higher education fund that families can set up.

IV. Fairy Cards – Emily Anderson

Blue Bird Fairies “Earnest little drawings that help you do big things.” Emily Anderson, a SPSC member shared her Fairy Cards. Emily has been working with Small Business Center (part of Mercy Connections). Visit her website: <http://www.emilyanderson.org/bluebird>

V. DS Annual Report - June Bascom, DDS

Hard copies were handed out to all committee members.

Access online: <http://www.ddas.vermont.gov/ddas-publications/publications-dds/ddsd-annual-report-2014>

There have been changes to the annual report due to legislation that was passed last year that required certain areas be addressed in the annual report. In addition, there is a new timeline (January 15th) for submission of the report. The content of the report now focuses on how well

the system is honoring/achieving the principals contained in the DD Act and to also speak to the met and unmet needs of Vermonters with developmental disabilities.

June Bascom, DDS, is credited with starting from scratch and did a great job in aligning the report to follow the new requirements. This was a new approach and it took countless hours and days.

The new timeline presents challenges in providing the most up to date data, as there is often a lag in when data are available. For this reason, there are times when the report will use older data, but at the time of writing, it is the most current data available. Once updated data are available, the DAIL website will be used to post updates to new data, facts and figures.

One benefit of the new format is that it allowed us to show DS history. For example; training and quality service reviews show historical differences in funding and services. More consumer satisfaction survey information was showcased in this report. June cautioned that the consumer satisfaction will be different next year given that Vermont is in the process this year of transitioning to the National Core Indicators (NCI) survey which asks different questions. June welcomes constructive feedback / comments on what works and what doesn't and things you wish you could see in the Annual Report. June would like to see an index in the back to help direct people to certain areas on interest in the document. You can contact her by email at; June.Bascom@state.vt.us.

A member stated that this new report works well for those who are data driven and those who are advocacy driven. It makes sense.

A member suggested if the committee could have homework to review sections and discuss. Member agreed.

Members congratulated June on her thorough and wonderful job on this publication.

Theresa asked for volunteers to facilitate a discussion on a section.

Children's Services – Theresa and Linda Berger

Start with Children's Services next month (March) and see how it goes.

A member wanted to have someone to go through the website with the group. This will be scheduled in the future, when the new website is up and running.

VI. Discretionary Funding and One-Time Funds

Camille provided a brief explanation of how discretionary funds are created in DS. When people come to the funding committee to request funding, when they get a decision they are notified to

what their annual amount is. However, the amount of funds that the person is awarded is pro-rated based on when the funding proposal was reviewed and approved. For example, if a person is approved for an annual budget of \$32,000 in January (6 months into the state fiscal year), the amount of funds available for the remainder of the year is \$16,000. The difference between the annualized amount and the pro-rated amount create the discretionary funds. The State System of Care Plan (SOCP) states that the department *may* distribute some of the discretionary funding to the DS agencies (including the Intermediary Support Organization, Transition II) to meet the needs of people with developmental disabilities. When funds are distributed to the DS agencies and Transition II, they are referred to as “one-time” funds. Funds can be used for a range of needs, such as crisis needs, transition supports, small grants to principles/family, flexible family funding, glasses, dentures.

Last year, the SPSC was given a report on how discretionary funds that are kept at DAIL and one-time funds distributed to the DS agencies and Transition II were used. For example, discretionary funds were used by the Department to support post-secondary initiatives (Project Search, Global Campus) and a communication grant. On the report, there was also a line for “Miscellaneous funds.” Camille followed up with the DAIL Business Office and reported out this month that the miscellaneous funds were allocated to agencies for DS and were usually used for the same purposes as when they are distributed as one-time funds to the agencies. A member expressed concerns that some funds may have been used in conflict with the SOCP, particularly those used for residential and out-of-state facilities. Camille explained the discretionary funds at DAIL may be used flexibly and are used to meet the needs of people with developmental disabilities.

The committee strongly disagreed with the department’s “interpretation”. There is no distinction in the SOCP that enables the department to use “discretionary” funds as it sees fit. It is the position of the SPSC that all funds in the DS appropriation (which includes the one-time dollars) must be used as stated in the SOCP and that institutional placement, such as Crotched Mountain, cannot be funded with DS funds.

When out-of-state residential (institutional) services are confirmed as the most appropriate service for an individual, Camille added that often other agencies and/or departments are also contributing (i.e. AOE, DCF, etc.), and that the recommendations for out-of-state residential often come from local interagency teams (LIT) where the local DA/SSA are involved in the process. Members maintained their disagreement with using discretionary funds for the residential and out-of-state residential uses, noting that in the past DS never paid for out-of-state and that Medicaid would pay. Currently, DAIL decides near the end of the State Fiscal Year whether discretionary funds will be distributed to DA’s, SSA’s and Transition II for one-time uses and if so, how much. It is too soon to tell whether there will be one time funds available from SFY 15 funding.

A member mentioned that providers and the department need the flexibility in these one-time funds.

VII. Plan for Elections of SPSC Co-Chair

Five SPSC Member's terms expire on 3/31/2015.

According to procedures, a Nominating Committee will review all applicants, both reappointments and new appointment applicants.

Jennifer will send out message to the nominating committee and committee members whose terms are about to expire.

VIII. Elections of Co-Chairs

Both Ed and Theresa would like other people to step into these roles, but to step down over a staggered period. Ed has agreed to step down today. A new Co-Chair will be filled by an advocate or recipient. Interested parties will express their interest today and will follow up with a paper ballot in March. Jenn will send out a message to the members asking for candidates representing an advocate or recipient by a certain date. The division will create a ballot for the next meeting.

IX. SPSC Announcements

Susan Yuan – DCF has a training that is taken every 5 years for those who work with parents who have developmental disabilities.

Future Agenda Items:

Budget updates (standing item, through legislative session)

DS Principles and Annual Report: Children's Services (Linda Berger and Theresa Wood) - March

Assign leads and months for future in-depth discussion of DS Principles and the Annual Report (map this out in March)

Meeting adjourned: 12:35 p.m.